



# NEWS RELEASE

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## FDIC TRANSFERS INSURED DEPOSITS OF FEDERAL FINANCE & MORTGAGE, LTD., HONOLULU, HAWAII

The Board of Directors of the Federal Deposit Insurance Corporation has approved the transfer of insured deposits of Federal Finance & Mortgage, Ltd., Honolulu, Hawaii, to First Hawaiian Creditcorp., Inc., Honolulu, Hawaii. The failed bank's sole office will not reopen, but depositors may conduct business at branches of First Hawaiian Creditcorp beginning Monday, December 16, 1991.

The Board of Directors decided to arrange an insured deposit transfer because the FDIC was unable to quantify the value of the bank's assets at the time of closing.

Federal Finance & Mortgage, Ltd., with total assets of about \$9.3 million, was closed on Friday, December 13, 1991, by Clifford Higa, Hawaii Commissioner of Financial Institutions, and the FDIC was named receiver.

At the time the bank closed, its deposits totaled about \$8.2 million in about 300 deposit accounts, including approximately \$135,000 in 17 accounts that exceeded the federal insurance limit of \$100,000. Deposits in the failed bank up to the statutory insurance limit of \$100,000 will be available to their owners on Monday, December 16, 1991.

Insured depositors in the failed bank can automatically continue to conduct their banking transactions with the acquiring bank. However, they should visit the acquiring bank during the next several weeks to discuss continuation of their banking relationship.

The acquiring bank is paying the FDIC a nominal premium for the right to receive the transferred deposits. The FDIC will retain assets of the failed bank with a book value of \$9.3 million.

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The Board of Directors approved the deposit transfer under its authority to do so whenever it determines that such a transaction will reduce the potential loss to the FDIC. The FDIC will recover a portion of its outlay through the liquidation of assets.

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